

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Tom Torlakson was a candidate for Senate in the March 7, 2000 primary. Respondent Tom Torlakson for Senate is his controlled committee (hereinafter "Committee"). Respondent Michael Pastrick is the Committee's designated treasurer. Respondents failed to timely disclose the receipt of a late contribution.

This case was handled on an expedited basis pursuant to the Late Contribution Report Expedited Procedures adopted by the Commission in July of 2000.

For purposes of the Stipulation, the violation of the Political Reform Act (Act)<sup>1</sup> is as follows:

**COUNT 1:** Failure to timely file a late contribution report disclosing the receipt of a late contribution, in violation of Government Code section 84203.

### **SUMMARY OF THE LAW**

A late contribution is one which totals in the aggregate \$1,000 or more, and which is made to or received by a candidate, controlled committee, or a committee formed or existing primarily to support or oppose a candidate or measure, before the date of the election, but after the closing date of the last campaign statement required to be filed prior to the election. (Section 82036.)

If a late contribution is made or received, then the recipient of the late contribution must file a late contribution report disclosing the recipient's name and address, the date and amount of the late contribution, and the contributor's name, address, occupation and employer. (Section 84203, subdivision (a).) The recipient must file a late contribution report within 24 hours of the time the contribution is received. (Section 84203, subdivision (b).)

### **SUMMARY OF THE FACTS**

The primary election was held on March 7, 2000. The closing date of the last campaign statement required to be filed prior to the election was February 19, 2000. Therefore, any contribution of \$1,000 received by the Committee after February 19, 2000, but before March 7, 2000, required the filing of a late contribution report.

According to the Committee's semi-annual campaign statement filed on July 31, 2000, and a Late Contribution Report filed by California State Employees Association, Member Action Committee ("CSEA-MAC"), the Committee received a non-monetary contribution of \$14,305.40

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<sup>1</sup> The Political Reform Act is contained in Government Code Section 81000 through 91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations section 18000, *et seq.* All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

from CSEA-MAC on February 23, 2000. Since this contribution was received during the late reporting period, Respondents should have filed a late contribution report within twenty-four hours of receiving each of the contributions. Respondents did not file a late contribution report disclosing the receipt of this late contribution, and the failure to do so constitutes a violation of Government Code section 84203.

## **CONCLUSION**

CSEA-MAC did not send the notice of the late in-kind contribution to the Committee's address. Furthermore, the in-kind contribution was for a mailer, which was coordinated between CSEA-MAC and a campaign consultant, who was in the process of leaving the campaign. As a result, Respondents stated that they were unaware of the exact date of the contribution, and did not report the contribution until after the election.

This matter consists of one count, which carries a maximum possible administrative fine of two thousand dollars (\$2,000.00). Consistent with the policy adopted by the Commission at the June 2, 2000, Commission Meeting, and the mitigating information, the recommended fine is one thousand seven hundred and fifty dollars (\$1,750.00).